

BEFORE THE DEPARTMENT OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE

IN THE MATTER OF:

TENNESSEE INSURANCE COMPANY

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No.: 08-025

ORDER ADOPTING EXAMINATION REPORT WITH MODIFICATIONS

Pursuant to Tenn. Code Ann. §§ 56-1-401, *et seq.*, the Insurance Division of the State of Tennessee Department of Commerce and Insurance ("Division") has examined certain affairs of Tennessee Insurance Company ("Company"), an insurance company domiciled in the State of Tennessee. As a result of an examination conducted as of the 31st day of December, 2006, the examiner-in-charge filed with the Division, on the 30th day of January, 2008, a verified, written report on examination of the Company ("Report") and a copy of the Report was sent to the Company. (The Report is attached as Exhibit A). The Division received a written rebuttal to the Report from the Company on February 11, 2008. (A copy of the written rebuttal is attached as Exhibit B).

Pursuant to Tenn. Code Ann. § 56-1-411, said examination report regarding the affairs of the Company, filed with the Division on the 30th day of January, 2008, is hereby **ADOPTED** as filed with the following **MODIFICATIONS**:

1. The Report on Examination is hereby **MODIFIED** by deleting the line item "Interest due and accrued" of \$165,195 in the "Assets" section of the Statement of Assets, Liabilities and Surplus on page 5.
2. The Report on Examination is hereby **MODIFIED** by replacing the last sentence in the "Subsequent Events" sections on page 7 with, "As of November 30, 2007, TIC

redeemed capital stock equal to \$1,765,700, with Ingram making a capital contribution of the redemption proceeds to TIC and TIC transferring those proceeds directly and simultaneously to its Gross Paid In and Contributed Surplus account.

The adoption of this examination report shall not preclude the Division from imposing sanctions against the Company for potential violations of the Tennessee Insurance Law which may be revealed in the examination report, it being the intent of this Order Adopting Examination Report with Modifications merely to adopt the examination report filed by the examiner-in-charge.

It is so **ORDERED**.

ENTERED this the 19th day of March, 2008.

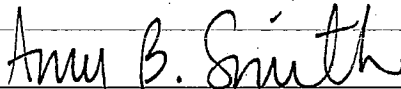
Leslie A. Newman
Leslie A. Newman, Commissioner
Department of Commerce and Insurance
State of Tennessee

PREPARED FOR ENTRY:

Amy B. Smith
Amy B. Smith (BPR# 024713)
Assistant General Counsel
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Davy Crockett Tower, Twelfth Floor
Nashville, Tennessee 37243
(615) 532-6830

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Order Adopting Examination Report with Modifications has been messenger mailed to Larry C. Knight, Jr., Assistant Commissioner for Insurance, Department of Commerce and Insurance, Philip Blustein, Chief Examiner, Department of Commerce and Insurance, and Mark Jaquish, Financial Affairs Director, Department of Commerce and Insurance, and mailed, first class, postage prepaid, to Tennessee Insurance Company, One Belle Meade Place, 4400 Harding Road, Nashville, Tennessee 37205-2290, on this 20th day of March, 2008.



Amy B. Smith
Certifying Attorney